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April 10, 1992

Federal Communications Commission
Office of the Secretary

BY HAND

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

Re: WTVE(TV), Reading, Pennsylvania
FCC File No. BTCCT-911113KH

REC'D MASS MED BUR
APR 13 1992
VIDEO SERVICES

Dear Ms. Searcy:

The Commission is hereby advised that the transfer of control of Reading Broadcasting, Inc. ("Reading"), licensee of WTVE(TV), Reading, Pennsylvania, from Reading Broadcasting, Inc., as debtor-in-possession, to Reading was consummated on March 12, 1992.

Please direct any questions concerning this correspondence to the undersigned.

Sincerely,

Paula Friedman
Paula G. Friedman

MINUTES OF THE SPECIAL
SHAREHOLDERS' MEETING OF READING
BROADCASTING, INC.

A Special Meeting of the Shareholders of Reading Broadcasting, Inc. was held on Wednesday, October 30, 1991 at 6:00 PM at the studio facility of the Corporation located at 1729 North Eleventh Street, Reading, Berks County, Pennsylvania.

Shareholders in attendance were:

Ben Bowers
Robert Clymer, M.D.
Irvin Cohen
David Hyman
Bert Morrow, M.D.
Micheal Parker
Sergio Prosipi, M.D.
Alison Rotenberg
Dr. Stoudt
Joanne Verbinski
Mr. and Mrs. Wohlbruck

Representation by proxy:

Mr. Busby (Proxy to Mike Parker)
Dr. Denby (Proxy to Dr. Clymer)
Mr. Massey (Proxy to Mike Parker)
P. Pavloff (Proxy to Mike Parker)
S. Pavloff (Proxy to Mike Parker)
STV, Reading, Inc.--Class F--(Proxy to Mike Parker as
President of STV, Reading, Inc.)
Dr. Tietbohl (Proxy to Dr. Clymer)

Representation of disputed claims and in opposition to the meeting:

Dr. and Mrs. Aurandt
Jack A. Linton, Esquire

Additional attendees:

Carolyn Hyman-Brooks, Esquire
Tony Destachio, Esquire
Linda Hendrickson--Partel, Inc. (Operations Manager)
Nelson Long, C.P.A. (Beard & Co.)
George Mattmiller--WTVE-TV 51 (Station Manager)
Reverend Frank McCracken
H. Marvin Mercer, III--Banruptcy Attorney (Krusen, Evans & Byrne)
Raymond Schlagel, Esquire
Jeff Schulte--Schnader, Harrison, Segal & Lewis
Barbara Williamson--WTVE-TV 51 (Office Manager)

Micheal Parker called the meeting to order. He stated that as President of Partel, Inc., he has enough shares to legally call this meeting. He stated that a notice of the Special Shareholders meeting had been mailed to all Reading Broadcasting, Inc. Shareholders of record within a 5-day notice period.

Raymond Schlager announced that he is representing the present R.B.I. Board of Directors. He was asked to attend the meeting on Jack Linton's request.

Mr. Schlager asked what authorized this meeting to be called.

Mike Parker stated that he had tried to contact Jack Linton, but that Jack Linton was out of town.

Jack Linton stated that he had been involved in a client emergency whose business, the Golden Chopstick, had burned down. Jack Linton stated that this was in addition to being out of town to visit his daughter.

Mr. Schlager read from a notice (please see attached) stating that he, along with Jack Linton, and present Shareholders, is attending this meeting to object to any business that may be transacted.

Mr. Schlager referred to Section 1705 B of the Business Corporation Law of 1988 and Articles of the By-Laws.

His statement further objected to the convening of a meeting on the basis that there are no Shareholders. He stated that a new Board of Directors was elected on September 14, 1991, making the 4th Amended Plan of Modification null and void. Mr. Schlager stated that at the meeting on September 14, 1991 a new Board of Directors was elected, plus one additional seat. He stated that at this meeting, the termination of Partel, Inc.'s Management Services Agreement was agreed to, based on malfeasance by Mike Parker. Mr. Schlager stated that any attempt on Mike Parker's part to issue stock is null and void.

Mr. Schlager then questioned why Mr. Parker had initially wanted the Secretary of R.B.I. to call a Shareholders' meeting for November, 1991 and then to have called it for today, instead.

Mr. Schlager further stated that Partel, Inc.'s authority only applies to management, and that the authority of Partel, Inc. does not extend to the issuance of stock certificates. The corporate seal, which is affixed to the stock certificates, is the seal that is always held by Jack Linton. Additionally, Mr. Schlager stated that the certificates were allocated to sway the voters, by Partel, Inc. against the former corporation.

Mike Parker stated that the present duly constituted Board will act to--

Ben Bowers entered the meeting.

Mike Parker stated that this was a very "emotional" meeting. He spoke of two Boards of Directors, four members of which are the same. He stated that there was a meeting held on September 14, 1991, at which time a group elected Mrs. Aurandt to the Board.

Ben Bowers stated that this was not Mike Parker's "job", it was Mike Parker's "opinion". Ben Bowers stated that if Mike Parker was going to continue with the meeting, he requested that Mike Parker be specific about what his duties are.

Mike Parker discussed Exhibit B (please see attached). This entails an explanation of the validity of the shares issued. Mike Parker stated that the shares were issued in accordance with the Plan of Reorganization, with state law, and have been signed by all five Directors.

Dr. Clymer requested that Ben Bowers act in a "civil" way.

Mike Parker stated that he is "emotional" about trying to be fired in at the "eleventh hour". He stated that opinions of counsel are such and state laws are such that he will preside at the meeting as either President or Executive Vice President.

Mike Parker discussed the calling of this meeting. He spoke of trying to contact Jack Linton. Mike Parker stated that he stayed available by telephone in the event Jack Linton would call. Mike Parker stated that he told Jack Linton's secretary that if he didn't hear from Jack Linton by Friday, October 25, 1991, "all deals were off".

Mike Parker further stated that it is the opinion of bankruptcy counsel that this meeting was legally called.

Jack Linton stated that he and Mike Parker hadn't spoken. Jack Linton made reference to the September 14, 1991 meeting as it pertained to written notice. Jack Linton stated that he and Mike Parker had agreed to a meeting on November 12, 1991 in a letter dated October 21, 1991.

Jack Linton further stated that Mike Parker had said at a lunch meeting that "all deals were off", and that Mike Parker was going to issue the stock "regardless". Jack Linton stated that Mike Parker issued the stock. Jack Linton stated that Mike Parker then called to set up a Board of Directors meeting for 7:00 PM tonight.

Jack Linton then stated that Mike Parker said that he was going to call. However, Jack Linton stated that Thursday he was out of town, visiting his daughter in Virginia. Jack Linton stated that the Golden Chopsticks, a client's establishment, had also burned down during the week. Jack Linton stated that on Friday, October 25, 1991, Mike Parker had called his office and issued an ultimatum. Jack Linton stated that he didn't respond to ultimatums.

Mike Parker stated that the letter from the I.R.S. was delivered Monday. Mike Parker stated that he called Jack Linton Tuesday, and that he had called Jack Linton Wednesday. Mike Parker stated that he was told by the I.R.S. that if Dr. Aurandt--

Jack Linton stated that there is a meeting scheduled for tomorrow morning with the I.R.S., and that it's Dr. Aurandt's stock.

Marvin Mercer referred to Dr. Aurandt calling Barbara Williamson to tell her he was coming in for a check.

Ben Bowers asked who Marvin Mercer was.

Mike Parker stated that Marvin Mercer is R.B.I.'s bankruptcy attorney.

Ben Bowers asked by whose authority.

It was stated that there was a belief that the Corporation's finances were "in peril".

Jack Linton questioned Mike Parker. He asked why Mike Parker couldn't have waited until November 12, 1991 to hold the meeting. Jack Linton asked why Mike Parker makes agreements and then doesn't go through with them.

Mike Parker read from the agenda (please see attached). He stated that the corporate By-Laws have been amended to state that the Chairman presides. The Shareholders may elect the Chairman.

Ben Bowers asked who was electing whom.

Dr. Clymer moved to second the motion.

Ben Bowers asked whether Dr. Clymer objected to the call of the meeting on September 14, 1991.

Jack Linton spoke of Dr. Clymer objected to the call of the meeting on September 14, 1991, but not objecting to the By-Laws.

Mr. Schlagel asked Dr. Clymer if his objection to the meeting of September 14, 1991 was not to the fact of the meeting, but an objection to what was to be acted on. Mr. Schlagel asked if Dr. Clymer's objection was the termination of the Partel, Inc. contract by the R.B.I. Board of Directors.

Dr. Clymer stated that there were two items involved, one of which was that he was travelling at the time. Dr. Clymer stated that it may have been "coincidental" that the meeting was called while he was out of town. Dr. Clymer stated that he had also learned from a friend about the letter which Dr. Aurandt had sent out to the Shareholders containing what he termed "charges" about Partel, Inc.'s management of R.B.I. On this basis, Dr. Clymer stated that he objected, as he was a Director. He also stated that the 5-day notice period could have been "a little longer".

Jack Linton stated that it was longer. Jack Linton stated that he had attempted to reach Dr. Clymer by telephone.

Dr. Clymer stated that he had called during the Shareholders Meeting on September 14, 1991 to enter his objection. He stated that he hadn't been a part of the meeting, by telephone or otherwise, after that.

Jack Linton stated that both he and Mike Parker had spoken on the telephone with Dr. Clymer at the meeting.

Ben Bowers questioned the validity of this meeting.

Mike Parker explained that there are two individual groups and two individuals who claim to be President. It is "appropriate" for the Shareholders to vote on this.

Mike Parker stated that there was a motion and second on the floor.

Ben Bowers stated that there was already a meeting held, a vote taken, minutes taken. Ben Bowers questioned why Mike Parker was "confused".

Jack Linton stated that there are those present who don't think this is a valid meeting. Jack Linton asked if there were enough Shareholders here.

Ben Bowers questioned how long the resolutions of this meeting would be in place, "forever", or "for tonight".

Jack Linton stated that the Amendment to the By-Laws would be in effect until another group of Shareholders "may or may not" amend them.

Mike Parker asked if there was any further discussion.

Ben Bowers stated that there was not.

Mike Parker stated that he represented a sufficient number of proxies.

Ben Bowers stated that Jack Linton had stated that he was not present.

Jack Linton stated to Mike Parker the need for a roll call.

Mike Parker conducted roll call (please see attached for listing in the event of any discrepancies):

Mr. Denby, represented by proxy to Dr. Clymer, 19,922 shares
Irvin Cohen, here, 12,607 shares, abstains
Dr. Longenecker, not here
Dr. Tietbohl, represented by proxy, not here
Mrs. Verbinski, here, 16,045 shares
Dr. Clymer, here, 5,943 shares, voting yes
Dr. Proserpi, here, 12,003 shares, abstains
Dr. Rotenberg, not here, 5,038 shares
Alison Rotenberg, here, voting yes
Mr. Mann, not here, 9,977 shares
Mr. Boscov, not here, 3,243 shares
Dr. Bower, not here, 8,014 shares
Dr. and Mrs. Fischer, not here, 12,121 shares
Mr. Gerber, not here, 3,423 shares
Dr. Stoudt, here, voting yes
Dr. Hyman, here, voting yes
Mrs. Davies, not here
G. Pavloff, not here
Mr. Bowers of STV, not here
Mr. Massey of STV, not here
Mr. Busby, voting yes by proxy to Mike Parker
Hollingsworth, Kasko, Muir, N. Norris, Paul Pavloff not here, voting yes by proxy to Mike Parker
Brueckman, STV, not here
J. Gallen, STV, not here
Kirkpatrick, STV, not here
McCallum, STV, not here
M. Muir, STV, not here
M. Norris, STV, not here
Palmer, STV, not here
S. Pavloff-Bull. STV, not here, voting yes by proxy to Mike Parker
Rodriguez, STV, not here
Wahlberg, here, voting yes
D. Gallen, STV, not here
STV Reading, Inc. represented by its President, Mike Parker, here, voting yes

Following the roll call, Jack Linton asked about the shares to the Gerber & Linton Pension Plan. He asked if there were any shares issued to this.

Mike Parker stated that there were no shares issued to the Gerber & Linton Pension Plan.

Jack Linton asked Alison Rotenberg about the shares issued for her children.

Alison Rotenberg stated that Jack Linton "may be right".

Jack Linton stated that he thought the shares were issued "wrongly", working off the "wrong list".

Dr. Clymer spoke of a previous meeting.

Jack Linton stated that he has brought this up before.

Mike Parker stated that there could be changes made, if anyone wanted.

Jack Linton stated they are locked up and that Mike Parker can't "just change" them.

Dr. Clymer stated that for a "long period of time", there were no minutes of Shareholders' meetings, no minutes of Board of Directors' meetings "long before" Mike Parker came. Dr. Clymer stated that in his estimation, if the records of the stock book are "like everything else", there are "errors" and things "left out".

Jack Linton stated that a stock book was kept for the original entry. He stated that the Shareholders couldn't be excluded from notice.

Dr. Clymer asked how Mike Parker got the list.

Jack Linton stated that it was intended for review by Dr. Aurandt and Mike Parker. Jack Linton stated that Dr. Aurandt and Mike Parker couldn't come to an agreement on it. Jack Linton stated that now he disagrees with it.

Mike Parker stated that any revisions necessary would be made to the shares issued.

Ben Bowers stated that Mike Parker "just issued the shares, and he didn't do it right".

Jack Linton asked if he could communicate the fact that Mike Parker was President of STV, Reading to the I.R.S.

Mike Parker stated that there were approximately 320,000 shares present. He stated that there was one no vote by Mr. Bowers.

Mike Parker ruled a quorum present for this meeting.

Mr. Schlagel asked to see the proxies (please see attached). He stated that he thinks the Secretary should see copies of the proxies.

Mike Parker stated it was time for the election of the Chairman.

Dr. Clymer nominated Mike Parker.

Ben Bowers nominated Ben Bowers.

Dr. Morrow seconded Mike Parker's nomination.

Mike Parker asked Shareholders to signify if they were in favor of electing Ben Bowers as Chairman.

Ben Bowers signified that he was voting yes in favor of Ben Bowers.

Mike Parker asked Shareholders to signify if they were in favor of electing Mike Parker as Chairman.

Mike Parker was elected Chairman of the meeting.

Mike Parker stated that the next motion to come--

Jack Linton stated that there was one point of order. Jack Linton stated that he is the Secretary of STV, Reading. He stated that Mike Parker never notified him about a meeting of STV, Reading. Jack Linton stated that this was a point of notice.

Mike Parker stated that under the laws of the State of Pennsylvania, the Board of Directors has a right to a Judge of the Election. Mike Parker stated that the Chairman can appoint a Judge of the Election. Mike Parker stated that he is appointing Carolyn Hyman-Brooks, the daughter of Dr. Hyman. Mike Parker stated that Carolyn Hyman-Brooks is an attorney. She will be acting in the capacity of Judge of this meeting.

Mike Parker stated that there are presently two Boards of Directors in place for R.B.I. He stated that the next order of business is to remove all existing Directors. Mike Parker stated that this "includes everyone". Mike Parker stated that he will then entertain nominations for a new Board of Directors. He stated that by removing all existing members of R.B.I. Boards of Directors, he will be doing away with cumulative voting.

Mr. Wohlbruck moves this.

Dr. Clymer seconds it.

Mike Parker asked if there was any discussion.

Ben Bowers asked how many positions there will be.

Mike Parker stated that there will be 5 positions.

Ben Bowers asked if it was open.

Mike Parker stated that if the motion passes, there will be 5 seats open.

A vote was taken.

All, except for Ben Bowers, were in favor. Ben Bowers represented 61,335 shares voting no.

Mike Parker declared that all seats on the R.B.I. Board of Directors was vacant.

Mike Parker called for the election of a new Board of Directors. He stated that there are 5 positions open. Mike Parker asked for nominations. He stated that following the nominations, he will make a presentation as to what he "has and has not done" while at R.B.I.

Mike Parker asked for nominations. Mike Parker stated that the nominations are open and that Mike Parker is nominating Dr. Clymer.

Mike Parker stated that Dr. Clymer is one of the original investors. He stated that Dr. Clymer was elected to the Board of Directors in August of 1989, and has served continuously, as well as serving as Chairman of the Finance Committee. Mike Parker spoke of Dr. Clymer's assistance in helping the Corporation get out of bankruptcy, including his work with Meridian Bank.

Mike Parker spoke of Dr. Clymer's willingness to say "no", and that Dr. Clymer is a "diligent" representative of the Shareholders' interests.

Mike Parker pointed out that Jack Linton and Dr. Aurandt also worked to get the Corporation out of bankruptcy. Mike Parker stated that the one individual who was there all the time was Dr. Clymer.

Mike Parker then nominated the Reverend Frank McCracken. Mike Parker stated that Reverend McCracken is highly involved with community affairs, with youth, as well as the local businesses. Mike Parker stated that Reverend McCracken is not a Shareholder of R.B.I.

Mike Parker then nominated Judge Mikki Rose. Mike Parker stated that Judge Rose is a Senior Judge of the Municipal Court of Philadelphia. Mike Parker stated that Judge Rose has assisted the Corporation by putting it in contact with Tall Tower Economics Group Co., Inc., as well as a potential investor, Network Communications, Inc.

Mike Parker then nominated Irvin Cohen. Mike Parker stated that Mr. Cohen has been asked by both groups to serve on their Board of Directors. Mike Parker stated that Mr. Cohen is "a gentleman, a man who likes to create calm rather than controversy". Mike Parker stated that Mr. Cohen, as President of Construction Fasteners, is a businessman involved in community affairs, and that his presence on the R.B.I. Board of Directors would "benefit" the Corporation.

Ben Bowers nominated Ben Bowers.

Mike Parker was nominated.

Mike Parker asked if there were any more nominations.

Ben Bowers nominated Marvin Mercer.

Marvin Mercer declined the nomination.

Mike Parker stated that the Chair was closed and moved to ballot. Mike Parker stated that there are ballots which have been prepared (please see attached) and began to distribute them.

Ben Bowers objected to the ballots being handed out.

Mike Parker conducted roll call (please see attached for listing in the event of any discrepancies):

Dr. Aurandt, Mrs. Aurandt, not here
Dr. Denby, not here, represented by proxy
Irvin Cohen, here
Dr. Longenecker, not here
Dr. Tietbohl, not here, represented by proxy
Joanne Verbinski, here
Dr. Clymer, here
Dr. Proserpi, here
Alison Rotenberg, here
Dr. Mann, not here
Dr. Bower, not here
Dr. Fischer, not here
Bernard Gerber, not here
Jack Linton, not here
Dr. Morrow, here, represented by proxy with Mrs. Morrow
Dr. Stoudt, here
Mrs. Hyman, here

Mrs. Davies, not here
G. Pavloff, not here
D. Bowers, not here
G. Busby, not here
Mr. Massey, not here, represented by proxy to Mike Parker

Other STV, Reading investors either absent or here by proxy to Mike Parker:

J. Gallen, not here
Mr. McCallum, not here
Mr. Muir, not here
M. Norris, not here
Mr. Palmer, not here
S. Pavloff-Bull, not here
Mr. Rodriguez, not here
Mr. Wohlbruck, here
D. Gallen, here
STV, Reading, Inc., Mike Parker, here, 2 Partel, Inc. ballots

The ballots were issued.

Dr. Clymer asked the Chairman to read the nominees again.

Mike Parker read the nominees:

Dr. Clymer
Reverend Frank McCracken
Judge Mikki Rose
Irvin Cohen
Ben Bowers
Mike Parker

Mike Parker continued by stating that he was "the most controversial figure" of the nominees.

Mr. Schlagel announced that the Board of Directors meeting scheduled for 7:00 PM was due to commence.

A Shareholder asked if there was a Board of Directors meeting about to begin.

Jack Linton asked Mike Parker to state the purpose of an individual's presence in the front row.

Mike Parker stated that it was Jeffrey L. Schulte from Schnader, Harrison, Segal & Lewis. Mike Parker stated that Mr. Schulte was his personal attorney.

Mr. Schlagel stated that any of the Shareholders can come to the Board of Directors meeting scheduled for 7:00 PM either now or later.

At 7:00 PM, Mr. Schlagel, Jack Linton, and Tony Destachio left for another office located in the building to conduct the Board of Directors meeting.

Mike Parker began to inform Shareholders about the background of his contract. He stated that after he came to R.B.I., he wouldn't enter into a contractual agreement unless there was a Board of Directors in place.

Tony Destachio returned to the meeting.

Mike Parker stated that he had contacted a number of the Shareholders to ask if they wanted to serve on the Board of Directors. Mike Parker stated that Irv Cohen had turned him down, but that Dr. Clymer had agreed to be on the Board of Directors.

Mike Parker stated that the original Shareholders had received letters about money not being owed. Mike Parker stated that he was told this by Dr. Aurandt, as well. Mike Parker stated that money was owed. He stated that there were back taxes owed. He stated that within the last 4-5 month period, back taxes were being paid, and payment agreements were being arranged. He stated that there was even a bench warrant out for Dr. Aurandt over an unpaid tax that no one knew about. Mike Parker stated that this payment was made promptly as soon as Mike Parker was made aware of it.

Mike Parker spoke of Nelson Long, C.P.A. with Beard & Company. Mike Parker stated that Nelson Long was here at the meeting earlier, but had to leave. Mike Parker stated that Dr. Clymer had suggested that Beard & Company come on as R.B.I.'s accountants. Mike Parker stated that Beard & Company "refuses" to certify anything before 1990. Mike Parker stated that "this entity ceased to exist", in terms of minutes of meetings, for about a 7-year period beginning in approximately 1982-1983.

Mike Parker stated that he came to R.B.I. and began to put together the Plan of Reorganization. At the Shareholders' meeting in August of 1989, figures were presented to the Shareholders. Mike Parker stated that at this meeting, Shareholders were given the opportunity to locate any discrepancies in the number of shares they were receiving. Mike Parker stated that Dr. Proserpi raised an objection over the \$10,000.00 which he said was owed him, and which he wanted paid back. Mike Parker stated that there was a ruling, based on a review by the Board of Directors, and the issue was settled. Mike Parker stated that the only other Shareholder who has questioned the issuance of their shares is Dr. Aurandt.

Mike Parker spoke of the formula, and the calculations for the 25 per cent at the end instead of the beginning.

Mike Parker spoke of Dr. Aurandt's \$100,000.00 loan. Mike Parker stated that the loan is "not accounted for". Mike Parker also referred to Dr. Aurandt's Founder's shares.

Mike Parker stated that he had told Dr. Aurandt that if Dr. Aurandt wanted those shares, he would have to get approval from the Board of Directors, and get the Shareholders to agree with it. Mike Parker stated that up until 2 days ago, there was still disagreement over the issue.

Mike Parker stated that the issues of disagreement are Dr. Aurandt's Founder's shares, the \$100,000.00 loan, and his salary.

Mike Parker stated that he had told the Shareholders that R.B.I. could be reorganized "quickly". Mike Parker stated that he would take part of what he termed the "blame" for it. Mike Parker stated that after he came to R.B.I., a contest was attempted, a co-op advertising venture was attempted, neither of which worked out.

Mike Parker stated that he had said the Corporation would get out of bankruptcy and move the tower. Mike Parker stated that the "real value" is in moving the tower.

Mike Parker spoke of the permits from the Federal Communications Commission and the Federal Aviation Authority, essential elements for moving the tower. Mike Parker stated that everything is in place, except for the financing.

Mike Parker spoke of the time sequence required to line up financing. Mike Parker stated that Dr. Clymer has estimated that the Corporation will have to operate one or two years out of bankruptcy before it can begin looking at moving the tower.

Mike Parker stated that he believes the viability of the Company will be "much greater" after the tower move. He stated that at this point, after the tower move has been accomplished, the Shareholders may be in a position to realize some, all, or more money than they initially invested.

Mike Parker spoke of the present downturn in the economy, and how it especially affects transactions involving broadcast properties. He stated that in any event, a station whose signal reaches all of Philadelphia will be more valuable than a station whose signal does not.

Mike Parker then began to speak of expenses.

He stated that Dr. Aurandt had brought up a point about salary and expense payments from R.B.I. to employees of Partel, Inc. Mike Parker referred to a document that called his employees Vice-Presidents of Partel, Inc. Mike Parker stated that the

Management Services Agreement included payments of salaries and expenses to Partel, Inc. employees, but not to Partel, Inc. Officers. Mike Parker stated that they were not Officers. He stated that they acted in the capacity of Officers, but that they weren't technically Officers.

Mike Parker stated that Dr. Aurandt had "called him on the carpet" over this discrepancy. Mike Parker stated that as a result, Partel, Inc. "ate" \$27,000.00 in bills. Mike Parker stated that Dr. Aurandt was correct in his assessment.

Mike Parker further stated that there were other Partel, Inc. expenses that were questioned, and that Mike Parker wrote them off.

Mike Parker stated that as a result of expense questions, a Finance Committee was created. Mike Parker stated that Dr. Aurandt served on the Finance Committee and voted on expense issues when he was there. Mike Parker stated that there were times when Dr. Aurandt was not present at the Finance Committee meetings. Mike Parker stated that Dr. Aurandt also had the capacity to vote on financial issues when they came to the Board of Directors. Mike Parker stated that this gave Dr. Aurandt the ability to vote twice on expense and financial issues, once in the Finance Committee meetings and once in the Board of Directors meetings, which Mike Parker said that he did.

Mike Parker stated that he negotiated what he termed a "better deal" with Meridian Bank for Partel, Inc. Mike Parker referred to the agreement to loan half of Partel, Inc.'s profits to R.B.I. in order to pay the Bank loan off quicker. Mike Parker stated that the original contract had not called for Partel, Inc. to loan any of its profits to R.B.I. Mike Parker stated that Partel, Inc. would "gladly give up" this agreement with the Bank in order to keep those profits entitled to it. However, Meridian Bank wanted a guarantee on the loan.

Mike Parker stated that there is also a digest of the minutes of Board of Directors meetings available (please see attached) which lists issues that have been agreed to and signed off on.

Mike Parker spoke of the question of the 6 1/4 per cent compensation to Partel, Inc. for loaning half of its profits to R.B.I. in order to pay down the Meridian Bank loan. Mike Parker stated that this, in effect, will tie up Partel Inc.'s money for 15 years. He stated that R.B.I. is trying to finance the tower site, which means that Partel, Inc. is making a "long-term investment" in the Company.

Mike Parker stated that all members of the Board of Directors signed that agreement, and referred Shareholders to Exhibit B of the amended Plan of Reorganization (please see attached). Mike Parker stated that if this constituted what he termed a "bad deal", it didn't provide sufficient time to cancel the contract.

Mike Parker stated that he was sent notification of the September 14, 1991 Shareholders Meeting by fax 48 hours in advance. He stated that this constituted him not receiving notice until 2 days before the Shareholders Meeting.

Ben Bowers stated that he didn't get notification of this meeting until yesterday.

Mike Parker spoke of percentages of STV, Reading issues, and that 4 Shareholders of STV, Reading have court injunctions against Dr. Aurandt.

Mike Parker spoke of resigning as President of STV, Reading.

Ben Bowers asked Mike Parker why he would be resigning as President of STV, Reading.

At this point, Dr. and Mrs. Aurandt, Jack Linton, and Mr. Schlagel returned to the Shareholders Meeting.

Mike Parker stated that Dr. Aurandt wanted to fire him on three separate occasions. Mike Parker stated that Dr. Aurandt sent letters to the Shareholders. Mike Parker stated that in all three instances, the issues went back for Board of Director review and discussion.

Mike Parker enumerated Dr. Aurandt's request for modification in the Management Services Agreement. Mike Parker stated that all ratifications and modifications to the Management Services Agreement were agreed to and approved by the Board of Directors. Mike Parker stated that in February of 1991, Dr. Aurandt again wanted to cancel the contract. This issue again went to the Board of Directors. The result of this Board of Directors meeting was that Dr. Aurandt resigned his position and that Mike Parker was elected President of R.B.I.

Mike Parker stated that a condition of Dr. Aurandt's resignation was that he would have no "communication with anyone". Mike Parker stated that it took "only a few weeks" for this agreement to be breached.

Mike Parker spoke of walking into a meeting with Meridian Bank with financial projections. Mike Parker stated that Dr. Clymer had instructed him to request a smaller loan with a more workable repayment schedule. Mike Parker stated that Dr. Aurandt had already furnished the Bank with projections showing R.B.I. making "all kinds of money", in excess of Mike Parker's projections. Mike Parker stated that he was forced into a position of being negotiated against by the Corporation.

Mike Parker responded to the opinion of Counsel that the shares of the Corporation were "improperly issued". Mike Parker stated that if the shares were refused to be issued, this would be in violation of the Plan of Reorganization.

Mike Parker explained that the shares were issued based on the dollar amount of what each individual had invested. He said that interest was figured in to the date of entry.

Mike Parker stated that Dr. Aurandt said he received his Founder's shares for \$3.00 per share. Mike Parker stated that Dr. Aurandt said he should get these shares for \$10.75 per share, like everyone else.

Mike Parker stated that he had offered half the shares out of his account, but that Mike Parker couldn't vote the 6 1/4 per cent.

Mike Parker stated that if there was a check for \$100,000.00, that he wanted to be furnished with it. Mike Parker stated that Jerry LaManna indicates that on December 31, 1982, there was a check for \$100,000.00 from Dr. Aurandt. Mike Parker stated that on the December 31, 1983 books, it is reclassified as a payable to R.B.I., not classified to Dr. Aurandt.

Mike Parker stated that Dr. Aurandt sent letters to some of the STV, Reading investors. Mike Parker stated that those letters were "totally and completely inaccurate". Mike Parker stated that the letters "almost killed" the Plan of Reorganization. He stated that the attorney for some of the STV, Reading investors responded in a letter, "outraged".

Mike Parker stated that negotiations took place. He stated that it was all "taken care of". Mike Parker stated that Dr. Aurandt wanted three demands. Mike Parker stated that Partel, Inc. wouldn't be affected on two of the demands, but that the Shareholders would. Mike Parker stated that a meeting was called for September 14, 1991, at which time Partel, Inc. was fired. Mike Parker stated that Jack Linton has not stated a reason for the dismissal.

Jack Linton was asked for the reason for the Partel, Inc. dismissal.

Jack Linton stated that he won't go into it.

Mike Parker stated that Partel, Inc. had to be terminated for "intentional malfeasance". He spoke of the proxies asked for in Dr. Aurandt's letter. Mike Parker stated that he signed the agreement and he--

Jack Linton stated that he had signed, as well.

Mike Parker stated that Jack Linton was the Corporate Secretary.

There was a question of payment schedules.

Jack Linton spoke of payment issues, and said that "this will be determined".

Mike Parker stated that at a Board of Directors meeting on July 31, 1991, Marvin Mercer had said that unanimous Board of Directors approval was needed in order for the Plan of Reorganization to work. Mike Parker stated that Jack Linton had signed the Consent Resolution.

Jack Linton explained the numerous "drop dead" dates of the Company which were needed to come out of bankruptcy. Jack Linton referred to the date to come out of bankruptcy of August 4th or 5th of 1991, and then referred to the preceeding date and the preceeding one and the preceeding one.

Dr. Clymer inquired whether time constraints forced these decisions.

Mike Parker asked Jack Linton if Mike Parker was a "swindler".

Jack Linton stated that he is "not saying a swindler", but that Mike Parker had done some things that are "dishonest".

Mike Parker stated that he would say the "same" about Jack Linton, "probably more so".

Mike Parker stated that Dr. Aurandt resigned in February, 1991. Mike Parker spoke of the withholding tax not being taken out of Dr. Aurandt's salary.

Dr. Clymer stated that he found out for the first time and that there would be a liability for damages if the I.R.S. found out.

Mike Parker stated that the I.R.S. garnished Dr. Aurandt's salary. Mike Parker stated that the I.R.S. stated that the Corporation was liable and responsible. He stated that the I.R.S. will audit R.B.I.'s books and Dr. Aurandt's books. Mike Parker stated that the proper forms have been ordered to file.

Jack Linton questioned this in reference to the February, 1991 meeting.

Mike Parker stated that Partel, Inc. was liable, as well.

Jack Linton asked liable for what.

Mike Parker referred to payroll taxes and STV, Reading, Inc.

Mike Parker stated that Dr. Aurandt's salary issue was internal, and that it had been settled at the Board of Directors meeting in February of 1991. He stated that it had been agreed to continue Dr. Aurandt's salary for another six months.

Mike Parker stated that Marvin Mercer has a report for the Shareholders this evening.

Marvin Mercer began his report (please see attached). He referred to the meeting at which the salary issue was discussed.

Mr. Schlagel asked which meeting Marvin Mercer was referring to.

Marvin Mercer stated that it was the late February, 1991 Board of Directors meeting. Marvin Mercer stated that he learned that the federal withholding tax had not been taken from Dr. Aurandt's salary. Marvin Mercer stated that when Dr. Aurandt was removed from the Board of Directors, it was agreed that his salary would continue for a "limited period of time". Marvin Mercer stated that at the time, Dr. Aurandt had said that he needed the income from the Company for living expenses, and that if he didn't get the income, he "will take the Company down with him".

Ben Bowers asked if Dr. Aurandt had, indeed, said that.

Jack Linton asked if this report was "factual".

Dr. Clymer stated that he had heard Dr. Aurandt say this.

Ben Bowers asked Marvin Mercer if Marvin Mercer was running for a seat on the Board of Directors.

Marvin Mercer continued his report. He stated that in February of 1991, he had learned that the federal withholding tax had not been taken out. Marvin Mercer stated that Bankruptcy Code limits the maximum compensation in compliance with notice requirements. He referred to Section E. Marvin Mercer stated that the last date of payment is the 45th day after the Certification of Service request for relief. He stated that the authority to pay anyone noted shall cease after that date, or it will continue until the bankruptcy court authorizes otherwise.

Marvin Mercer spoke of the December 12, 1986 loan consideration. Included in this discussion, Marvin Mercer referred to the Ortiz loan, Dr. Aurandt's consulting fees, and payroll checks beginning in 1987 of between \$36,000.00 and \$39,000.00 per year.

Marvin Mercer stated that this was never approved by the Board of Directors. He referred to a discussion with Alan Dubroff. Marvin Mercer stated that as a consequence of the foregoing, R.B.I. didn't have the right to pay Dr. Aurandt. Marvin Mercer stated that R.B.I. lacked the authority to pay Dr. Aurandt, and that he was told that any portion of compensation in excess of the marketable value must be returned.

Marvin Mercer referred to a memo from Dr. Aurandt to Mike Parker and Marvin Mercer. Marvin Mercer stated that in the memo, Dr. Aurandt states that he had asked Alan Dubroff about the consulting fee in late November of 1986.

Marvin Mercer referred to checks used by R.B.I. to purchase computer equipment.

Marvin Mercer spoke of the I.R.S. filing a garnishment writ against Meridian Bank for STV, Reading, Inc.

Marvin Mercer stated that Alan Dubroff stated that the Bankruptcy Court does not have jurisdiction over STV, Reading, Inc. Marvin Mercer referred to \$21,000.00, and stated that this distribution could have only come from Retained Earnings or excess Paid-In Capital.

Marvin Mercer stated that Dr. Aurandt was issued a payroll check, which he hadn't picked up. He stated that Dr. Aurandt demanded to have the check. Marvin Mercer stated that he then called the I.R.S. Marvin Mercer stated that he was told by the I.R.S. that if R.B.I. gave Dr. Aurandt the check, R.B.I. would be responsible.

Marvin Mercer spoke of the check register and checks being mailed to his office. Marvin Mercer stated that no checks had been drawn since.

It was stated that the I.R.S. was called and Dr. Aurandt could still draw checks--

Marvin Mercer stated that "what we feared"--

Jack Linton asked who's "we".

Marvin Mercer stated that "we" represents the C.E.O., the Directors, Partel, Inc., and Barbara Williamson.

Marvin Mercer stated that he was told that Mike Parker was getting his counsel, and that Dr. Aurandt was getting his attorney. Marvin Mercer referred to a call to Mr. Schlagel and a call from Jack Linton.

Marvin Mercer spoke of later discovering that Ray Schlagel is the Board of Directors attorney. Marvin Mercer stated that Mike Parker can't write checks, but that he can veto them as General Operating Officer. Marvin Mercer stated that there is no basis for this other than "intelligent conjecture".

Dr. Clymer stated that he had been apprised, and that he couldn't see depleting the resources between two "would-be Officers".

Marvin Mercer spoke of the question of the \$100,000.00. He stated that the cancelled check couldn't be furnished. He spoke of legal issues of stock certificates and garnishment issues. Marvin Mercer stated that shares can't go to Dr. Aurandt, as there is a responsibility to the garnishing parties.

Marvin Mercer referred to the basis of the claim for Dr. and Mrs. Aurandt. He referred to the exhibit. Marvin Mercer stated that he didn't understand the division of shares, and stated that there was "only a small portion" of shares given in both of their names. He stated that Dr. Aurandt has the "larger number" of shares. Marvin Mercer spoke of cancelling the issue of shares and reissuing them. He stated that doing this may constitute "engaging in fraudulent conveyance".

Marvin Mercer referred to a telephone call which he received from Mr. Schlagel asking for the stock book.

Irvin Cohen left the meeting.

Marvin Mercer read a memo from Dr. Aurandt to Marvin Mercer (please see attached). Marvin Mercer stated that all shares were issued to Meridian Bank. He stated that after the garnishment order, Dr. Aurandt has a \$4,000.00 Administrative Creditor claim. Marvin Mercer spoke of sending 50 per cent now, or \$2,000.00. He stated that this couldn't be paid, as the Corporation would be liable for it.

Marvin Mercer stated that after R.B.I. was forced into bankruptcy, the Corporation needed counsel. He stated that the Corporation had told Alan Dubroff that at the time, it couldn't pay a retainer, but could pay, at a later time, after the approval of the fee petitions.

Marvin Mercer began a discussion of Class G Creditors. He spoke of Dr. Aurandt being removed as President and read a 1990 letter to the Masseys (please see attached) releasing claims against Dr. Aurandt. This would take stock called for in the Plan of Reorganization and release Dr. Aurandt. Marvin Mercer stated that further, if R.B.I. didn't go through with the Plan of Reorganization, Dr. Aurandt would keep the stock.

Marvin Mercer spoke of Class G Creditors who rejected the Plan of Reorganization needing to be paid in-full, limiting what the Shareholders would receive. He spoke of the Masseys apprising Joseph Hettrick of the Plan of Reorganization. Marvin Mercer stated that there were considerations to release Dr. Aurandt from the claim. Marvin Mercer stated that in conjunction with negotiations, there were telephone conversations with Jack Linton and Dr. Aurandt. Marvin Mercer spoke of Dr. Aurandt not being a Debtor and not being entitled to a discharge. Marvin Mercer referred to a telephone conversation in February of 1991 and a discussion of acceptance of new stock in lieu of the debt.

Marvin Mercer spoke of the letter that went out in solicitation of ballots. He stated that this could have forced the entire Plan of Reorganization "to be pulled".

Marvin Mercer stated that on December 2, 1986, \$4,000.00 was issued to Dr. Henry Aurandt from a Hamilton Bank check noted as a loan repayment. Marvin Mercer stated that he "then wrote a check on the same day to himself" for loan-Ortiz-consultation.

Mr. Schlagel stated that Marvin Mercer has Dr. Aurandt's explanation on that issue.

Marvin Mercer spoke of funds needing to be put into the Corporation to meet payroll amounting to \$5,300.00. He stated that this amount of loan repayment was needed to bridge the interval before the arrival of the Home Shopping Network check.

Marvin Mercer referred to what he termed "the tendency to operate the Corporation without any regard to the Bankruptcy Code". He stated that the Corporation just couldn't "go out and borrow money".

Marvin Mercer discussed pre-petition loans. He stated that Dr. Aurandt may "be very well correct". Marvin Mercer stated that there was "just no proof, other than Dr. Aurandt's statement", that a transaction transpired.

Jack Linton stated that he has questions. He asked when the garnishment of R.B.I. against Dr. Aurandt occurred.

Marvin Mercer stated that it was after Mike Parker had received the order.

Jack Linton inquired as to when Mike Parker received the order.

Mike Parker spoke of getting documents.

Jack Linton asked whether Mike Parker had given him the order at the October, 1991 meeting.

Mike Parker said that yes, he had.

Jack Linton asked if there was a question with Pat Dunne before that and whether Pat Dunne was told to garnish.

Marvin Mercer stated that he had instructed it.

Jack Linton stated that he had called Pat Dunne. Jack Linton stated that Pat Dunne had stated that it was Marvin Mercer. Jack Linton stated that when he'd heard it was Marvin Mercer, he was "appalled". Jack Linton stated that it was Marvin Mercer who had it garnished.

Marvin Mercer stated that he "had to stop the manipulating".

Mr. Schlagel inquired as to whether Marvin Mercer had called Joseph Hettrick, as well.

Mike Parker spoke of removing all the Directors.

Jack Linton stated that we don't think it's a valid meeting.

Marvin Mercer stated that he was pointing out that Jack Linton was asking in the capacity of a Shareholder.

Mike Parker continued to finish giving report.

Ben Bowers referred to a document that was a part of the material handed out. It was a 2-page letter, not dated or signed. Ben Bowers asked if it was a fax.

Marvin Mercer stated that it was a copy of a fax.

Alison Rotenberg asked Ben Bowers, as a Shareholder, what "agenda" he was following. Alison Rotenberg stated that Mr. Bowers was, as she termed it "behaving like a fool". She stated that, speaking for the other Shareholders, "we're reasonable people". She stated that Mr. Bowers was not lending any "credibility" to himself.

Ben Bowers introduced himself as Dr. Aurandt's half-brother.

Jack Linton asked Marvin Mercer if the Corporation had entered into a contract with Jeff Miller.

Marvin Mercer stated that yes, it had.

Jack Linton asked if Marvin Mercer had engaged in a conversation with Jeff Miller.

Marvin Mercer stated that yes, he had.

Jack Linton stated that you, as Bankruptcy Counsel, had no knowledge--

Marvin Mercer stated that he hadn't been involved before 1989. Marvin Mercer stated that he had told Mr. Miller that the contract had not been approved by the Bankruptcy Court. He stated that even if it had been submitted, it had not been approved.

Jack Linton asked which Directors approved it.

Mike Parker stated that all of the Directors approved it and that it was paid in-full.

Marvin Mercer stated that Mr. Miller contacted Shelley Bendetti about the Corporation being in default of payments. Marvin Mercer stated that the Corporation made payments for Mr. Miller's benefits and applied these payments to what was owed him. He

stated that when the amount owed Mr. Miller came to \$700.00, he was going to give Mr. Miller a check for \$700.00 and a release to sign. Marvin Mercer stated that this would have constituted "full payment". He stated that Mr. Miller had said that the payment of the benefits was not applicable against the cost of what was owed him. Marvin Mercer stated that it was not a valid contract, but that the Corporation honored it. He stated that the Corporation was willing to give Mr. Miller the money if he signed the release. When the release wasn't signed, the check was not issued by Marvin Mercer.

Jack Linton asked Marvin Mercer what he told Mr. Miller about signing the contract. Jack Linton stated that if Mr. Miller sued us--

Dr. Clymer inquired as to the "relevancy" of this.

Jack Linton stated that it is "important to see who has authority".

A discussion ensued about who was right.

Dr. Clymer spoke of "that great hiatus period of 6-7 years", and said for that period, we--

Jack Linton inquired about who's "we".

Dr. Clymer spoke of the Directors, and referred to Jack Linton's duties as legal counsel and personal attorney.

Jack Linton stated that it was all agreed to at a Board of Directors meeting.

Dr. Clymer spoke of a doctor who has a patient. He stated that the patient better follow the doctor's orders.

Dr. Clymer stated that when Mr. Mercer is attacked, he asked that Jack Linton "look at own situation".

Jack Linton stated that he agreed.

Mike Parker asked Jack Linton if he was the Secretary of STV, Reading, Inc.

Jack Linton stated that yes, he was, "at one time".

Mike Parker asked if Jack Linton could explain the checks.

Jack Linton stated that Mike Parker was familiar with it, and that they'd talked about it.

Jack Linton further noted that Marvin Mercer was refusing to answer questions.

Ben Bowers asked that the original fax from Alan Dubroff be produced.

Marvin Mercer stated that the actual piece of paper was not here. He stated that copies were.

Mike Parker stated that he had the original.

Marvin Mercer provided Ben Bowers with copies of the 2-page fax from Alan Dubroff.

Ben Bowers requested Marvin Mercer to sign and date what he'd just read to the Shareholders.

Dr. Stoudt raised a question about the Movie Store.

Mike Parker stated that this pertained to STV, Reading. Mike Parker stated that he wanted an "accounting of those funds", and that he had asked the I.R.S. to do an audit of STV's books.

Mike Parker stated that a point has been reached. He spoke of the salary question, and not being approved by Bankruptcy Court. Mike Parker stated that what was approved was \$1,000.00 per month. Mike Parker inquired whether the approval came in 1983 or 1984. Mike Parker stated that when he arrived at R.B.I., he was told by Dr. Aurandt and Jack Linton that it was approved.

Dr. Clymer stated that he was never told until that meeting that Dr. Aurandt was receiving a salary. Dr. Clymer referred to this as a "sordid business". He stated that "they may have their own opinions as to where blame lies", but that he tended to think of Abraham Lincoln's philosophy about a house divided not standing.

Dr. Clymer stated that he's listened to Mike Parker and Dr. Aurandt for "a long time", including a "long meeting" until 1:00 A.M. Dr. Clymer stated that Mike Parker made some "lousy business decisions". Dr. Clymer stated that he was charged with auditing expenses. He stated that he was "always opposed" to the Partel, Inc. contract. He stated that the profit in the Partel, Inc. contract was "calculated inappropriately".

Dr. Clymer spoke of hearing arguments along the way. He stated that he was in Florida in reference to Dr. Aurandt's first communication stating why the Board of Directors should remove Mike Parker. Dr. Clymer stated that he communicated Dr. Aurandt's communique to Mike Parker.

Dr. Clymer spoke about what he termed "sides". Dr. Clymer stated that he doesn't take "sides" when the Shareholders' interests are at stake. Dr. Clymer stated that he didn't like what he termed the "tone", and said that it sounded to him as though it was one of "you're either with me or against me".

Dr. Clymer stated that he audited Partel, Inc.'s expenses against "valid receipts for claims". He stated that he found a discrepancy for Linda Hendrickson. This claim was agreed to be invalid, and the claim subsequently withdrawn.

Dr. Clymer spoke of what he called a "discouraging thing" of what Dr. Aurandt seemed to him to be doing. Dr. Clymer stated that he has heard Dr. Aurandt say that he's saved the Corporation, and that he's done things in order to save the Corporation. Dr. Clymer stated that it seemed to him that these claims were similar to "putting out a fire in your own house and then saying, 'I set it, too'".

Dr. Clymer stated that "no proper records" were kept, but that the Corporation found a formula with Home Shopping Network that worked to the extent of keeping the Corporation out of Chapter 7. Dr. Clymer stated that he couldn't see why more of an attempt wasn't made to get the Corporation out of Chapter 11. Dr. Clymer stated that in a review of Board of Directors meeting minutes from about 1987, there were attempts at a sale, "all of which failed".

Dr. Clymer stated that it was his conclusion that Dr. Aurandt had to get Mike Parker "to get more knowledge than he had" about getting out of bankruptcy. Dr. Clymer stated that "the minute" Mike Parker got close, Dr. Aurandt had the "inability", like an "inventor", to "let loose". Dr. Clymer stated that he'd already brought this up with Dr. Aurandt and Jack Linton. Dr. Clymer stated that it seemed to him that Dr. Aurandt may have felt as though Mike Parker was trying to "get it away". Dr. Clymer stated that he may be wrong, but that it is his "honest opinion".

Dr. Clymer stated that Dr. Aurandt is what he termed "rolling like a cannon on a loose deck". He stated that Dr. Aurandt has agreed to terms, and then breached the agreements. Dr. Clymer stated that this has caused legal fees and delays. Dr. Clymer stated that after a number of instances, and after Dr. Aurandt had resigned, that Dr. Clymer had said to Dr. Aurandt that he was "inept".

Dr. Clymer spoke of now being at the point of "choosing sides". He concluded that in order to give the Corporation any opportunity for survival, it needs to keep current on its debt. Dr. Clymer stated that he estimates that the Corporation needs to operate for 2 years with a good payment performance. He stated that at that time, he felt that someone may finance the tower move or buy the whole operation, and that someone may get something out of it.

Dr. Clymer stated that "this has gotten to a point where there can't be compromise".

Mike Parker stated that the Reverend Frank McCracken hasn't been advised of this controversy, and may not want to proceed. Mike Parker stated that during Board of Directors meetings, items were discussed, resolutions were signed, and everyone knew what was in the Plan of Reorganization.

Mike Parker stated that it doesn't matter what Mike Parker votes, but that working for expenses only doesn't make him money. Mike Parker stated that he'd told Mr. Schlagel that Dr. Clymer and Mike Parker opposed Mr. Schlagel being the Corporation's attorney. Mike Parker stated that no one has given him any reason for letting him go.

Mike Parker stated that he wasn't going to agree "to give up Dr. Aurandt's stock without proof", and that he wasn't going to grant the salary. Mike Parker stated that Dr. Aurandt has signed every check, or had the checks stamped and then initialled.

Mike Parker stated that "for someone to call me a swindler, I can't work with the man". Mike Parker stated that he hasn't "written a single check".

Mike Parker stated that Jack Linton has contributed to the Corporation coming out of bankruptcy, that Dr. Fischer has contributed, that Dr. Clymer has contributed, and that Dr. Aurandt has contributed. Mike Parker stated that "what Dr. Aurandt did to him was not what helped the Company".

Mike Parker stated that he believed that STV, Reading, Inc., among other entities, needed "an accounting". He stated that "there were funds that should not have gone to Dr. Aurandt that did".

Mike Parker urged Shareholders to vote for the 5 seats. He stated that Irv Cohen had already left, but that before he left, he agreed to serve on the Board of Directors.

Jack Linton stated that he wanted to bring up a couple of points. He stated that as Mike Parker will recall, Jack Linton moved not to terminate the Partel, Inc. contract the first time. Jack Linton referred to a meeting that was called by Mike Parker, at which Mike Parker wanted to see if everyone could work together. Jack Linton stated that he had said that "both were costing too much money" for the Corporation.

Jack Linton asked about the budget projections, and whether Mike Parker had finished them.

Mike Parker stated that no, they have not been sent out yet.

Jack Linton stated that there was going to be a Board of Directors meeting this evening, and a Shareholders' Meeting scheduled for November 12, 1991.

Dr. Clymer spoke of serving the Corporation. He stated that he "will not make further attempts" if Dr. Aurandt is involved. Dr. Clymer stated that this was due to having "no confidence".

Jack Linton stated that he has "the same feeling" about Mike Parker.

Dr. Clymer stated that Mike Parker has a contract.

Jack Linton stated that it "depends on whether he does or not".

Dr. Clymer stated that it is his observation that Mike Parker has more "ability". He stated that when "morality" and "motives" were questioned, these eluded him.

Jack Linton stated that Dr. Clymer had indicated that he thought they were "both pathological liars".

Dr. Clymer stated that he has "changed" his assessment. He stated that the observation was made "very early" in the relationship. Dr. Clymer stated that Mike Parker was "a lot more glib" earlier on. He stated that he has "confidence" in Mike Parker now to a "fair degree", and "none" in Dr. Aurandt.

Jack Linton stated that when he met with Mike Parker, what Mike Parker told him--

Mike Parker stated that Jack Linton has "contributed heavily to this organization".

Mike Parker spoke about the finalizing of loan documents and the finalizing of financial reports. He spoke of the need for a set of books to show if the Corporation is making money or not.

Nelson Long returned to the meeting.

Dr. Clymer stated that as a Director, he needed to insist on getting an accounting firm to give the Corporation a "barometer" of how it is doing. He stated that the Corporation needs financials to know what it's doing. He stated that this was "one of the first things" that he'd told Dr. Aurandt. Dr. Clymer stated that he didn't know if the earlier financials were "improper or not". He stated that now someone can see what is needed to make the Corporation more profitable and what course of action to take to measure the results.

Mike Parker introduced Nelson Long, C.P.A. from Beard & Co.

Nelson Long updated the Shareholders. Nelson Long stated that Beard & Co. was retained by R.B.I. in the summer of 1989 to perform accounting duties. He stated that these duties included normal compliance, mechanizing the system, putting it on the computer.

Mr. Long spoke of the tax return for December 31, 1989. He stated that there was uncertainty about the tax return for December 31, 1988, so they "forced" what was in the middle. He spoke of the "huge" operating loss carry-forward. He spoke of another tax return for December 31, 1990.

Included in the update, Mr. Long referred to the monthly General Ledger, the Cash Receipts Journal, the Cash Payments Journal, the booking of transaction transferring the rights from the sale of the tower, the recording of Administrative Creditors' claims and liabilities relating to those claims, and the recording of the forgiveness and indebtedness with Meridian Bank amounting to \$1.3 million.

It was stated that R.E.I. has been accruing at a rate of 16 per cent per month, knowing that it "wouldn't have to pay it". On September 18, 1991 the Corporation was able to generate a Balance Sheet and for the month of October, 1991, a monthly Income Statement. It was stated that to do an audited statement, however, would require "a lot of money".

Dr. Clymer stated that if it wasn't for the "good offices" of Meridian Bank, this project would have "gone down the tubes a long time ago". He stated that Meridian Bank could have put the Corporation into Chapter 7 "at any time".

Mr. Long stated that there are copies of federal tax returns that will be made available to any of the Shareholders who request them.

Ben Bowers inquired as to whose information these financials were based on.

Mr. Long stated that he received the information from Mike Parker.

Jack Linton stated that it was "probably never audited".

Ben Bowers wanted to know what of the information to Mr. Long has been provided by Mike Parker.

Ben Bowers stated that he has listened to what he termed "a one-sided presentation". He stated that he has been acting in such a manner because no one here has any "significant broadcast" knowledge. Ben Bowers stated that the Board of Directors does not have "a lot of broadcast experience".

Ben Bowers stated that he is a Certificate holder. He stated that the difference was that he has worked for the Corporation for a period of approximately two and a half years. He stated that during that time, he worked far in excess of normal business hours. He stated that he felt that this differentiated him from the other Shareholders.

Ben Bowers stated that he also attended the September 14, 1991 Shareholders Meeting. He stated that there was what he termed "a conflict of interest" involving Marvin Mercer and the Corporation and Marvin Mercer and Mike Parker. He stated that Marvin Mercer "could not be objective to the point of thinking about it".

Ben Bowers spoke of "the admission" by Dr. Clymer that it was in Dr. Clymer's opinion that Mike Parker was a "pathologic liar", and--

Dr. Clymer told Ben Bowers not to misquote him.

Ben Bowers stated that he "yielded" to Dr. Clymer's views of Mike Parker. Ben Bowers spoke of Partel, Inc. coming here with personnel to "suck it off for his own coporation".

Ben Bowers stated that the Shareholders are being told that they're going to get stock, and that they'll get money--

Dr. Clymer stated that there was "a possibility of doing this".

Ben Bowers stated that the way it stands now, the Corporation will be in Chapter 7 or Chapter 11 and a "white knight" will come out of the woodwork. He stated that he felt that if Management "spent less time with lawyers", the Corporation would be moved by now.

Ben Bowers then spoke of "intentional malfeasance".

Dr. Clymer asked Ben Bowers to speak in order to be clear.

Ben Bowers stated that Mike Parker questioned the definition of what "intentional malfeasance" was. Ben Bowers stated that it was "malfeasance" because Mike Parker "won't go along with things".

Ben Bowers told the Shareholders that they are making a "serious decision", and that they were getting a "loaded slate" here.

Mr. Wholbruck responded to members of Boards of Directors who don't have product knowledge. He stated that the majority of those who serve on the Boards of Directors of major corporations don't possess product knowledge.

Ben Bowers stated that the Shareholders were "not going to like it". He stated that if he was on the Board of Directors, he would do what he could--

Marvin Mercer spoke of the charge of having a conflict of interest. Marvin Mercer stated that he represents "a couple corporations" for Mike Parker, but that he has not been paid. He stated that in response to the question of his capacity at the September 14, 1991 meeting, he was there as Bankruptcy Counsel for the Corporation at Mike Parker's request.

Marvin Mercer stated that all of his conversations have been done at the direction of Mike Parker.

Marvin Mercer stated that there were other statements agreed to by Dr. Aurandt. Those discussions needed to be agreed to in order to issue the stock. Marvin Mercer stated that the issues discussed were not the "bad things" that Mike Parker was supposed to have done, only what the share issues were.

Mr. Schlagel asked Marvin Mercer if Schnader, Harrison, Segal & Lewis has issued a written opinion.

Mike Parker stated that Schnader, Harrison, Segal & Lewis has issued only a verbal opinion.

Mr. Schlagel asked if Mike Parker was stating that Schnader, Harrison, Segal & Lewis hadn't issued a written opinion.

Mike Parker stated that they had not. He stated that if they had, it would have "cost this company thousands".

Mr. Schlagel stated that he didn't have to be told this. Mr. Schlagel stated that he had read the letter.

Dr. Clymer stated to Jack Linton that he should "remember well" what Dr. Clymer's sentiments were. Dr. Clymer stated that he had referred to Mike Parker and Dr. Aurandt "fighting over a dead horse that's beginning to stink". Dr. Clymer stated that the "horse" is beginning to "stink" because its "flesh is putrid by being cut by attorneys".

Mike Parker stated that through all of it, the Bank lowers the interest payments.

Ben Bowers asked Mike Parker about security for the loan.

Mike Parker stated that half of the profits will be escrowed. He spoke of the 12 1/2 per cent figure. Mike Parker stated that Meridian Bank would retain the principal as a guarantee. He spoke of a number of revisions to the Plan of Reorganization. The Bank came back and stated that if the Corporation was in default, they wouldn't agree to pay what was guaranteed.

Mike Parker stated that the Plan of Reorganization was revised. Instead of keeping the amount in escrow, it would be loaned back to R.B.I. at 8 per cent. In terms of cost, it would be the same. But the Bank would see that it would be paid off quicker. Mike Parker stated that Partel, Inc. would then take the Bank's position.

Mike Parker stated that he's "more than happy" the Corporation is not "under the gun". Mike Parker stated that he is not here to "inherit a company that's not successful".

Mike Parker stated that this was the opinion of a judge he'd talked to yesterday.

Ben Bowers asked what would happen if the contract was terminated 10 years from now.

It was stated that if they can't do it for cause, they had better give a reason.

It was stated that if that vote goes through, the Corporation will "never" get Partel, Inc. out of its position.

Dr. Clymer stated that he didn't "give a damn if Parker gets anything out of this".

Ben Bowers asked if this meant that Dr. Clymer was in favor of "interminable contracts".

Jack Linton stated that he would like to retain the letter that Marvin Mercer had given to Ben Bowers. It was the letter that Ben Bowers had asked Marvin Mercer to sign and date. Instead of being signed and dated, it said "Kiss My Ass".

Mike Parker began the voting procedure. He went over the nominees again. He stated that Shareholders could vote for all, or vote for one.

Carolyn Hyman-Brooks explained about cumulative voting. She stated that there were 5 seats available. She stated that each Shareholder's shares have been multiplied by 5 in order to arrive at the total number of votes. She stated that the Shareholders could vote all of their shares for one seat, or divide them among the 5 seats, and that would be the total number.

The ballots started being returned.

Mike Parker began a discussion of the fourth item of the ballot involving garnishment by the I.R.S. (please see attached).

Mike Parker stated that this has been gone over in some detail. He stated that he has been served a garnishment order, which he has turned over to Jack Linton. Mike Parker stated that he has been served by 4 judgement creditors in total who ordered a garnishment of all shares under the Plan of Reorganization. Mike Parker stated that he has sent letters indicating direction.

Jack Linton stated that he had provided information before on the debenture.

Mike Parker stated that he just had to find out whose name it is.

Jack Linton stated that's why the stock was "issued improperly".

Mike Parker spoke of the loans. He referred to Dr. Aurandt's request to issue the shares to Dr. Aurandt and Mrs. Aurandt. The issue of the pension plan was discussed. Mike Parker stated that he felt that the "best" way was to turn the documents over to a court.

Mr. Schlagel asked if Bankruptcy Counsel had any opinions on this.

Jack Linton stated that he will not issue shares for what he considers a "fraudulent transaction". He stated that he will elicit the court to do it. He stated that Mr. Hettrick and the I.R.S. will work to see that the Bank gets what is owed them.

Jack Linton questioned if Mike Parker was opposed to the 6th Modification of the Plan of Reorganization in accordance to how the shares were issued.

Mike Parker stated that he disagreed with Jack Linton's "interpretation" of it.

Jack Linton asked what the language of the Exhibit said.

Dr. Clymer spoke of can't being able to settle a legal question between two opposing points of view.

Jack Linton stated that Marvin Mercer should have never have made that call, and stated that it was a court of "incompetency".

Marvin Mercer stated that he was going to "sue" Jack Linton.

Jack Linton said for Marvin Mercer to "go ahead".

Mike Parker stated that he intended to resolve the dispute. He stated that the Shareholders should know how he feels on this issue. He stated that it may be that the Corporation doesn't "owe any stock to Dr. Aurandt", and stated that the Corporation "may choose to view them as loan repayment".

Jack Linton questioned that if this was done, it represented a compromise, including to Partel, Inc.

Mike Parker stated that after February, the answer is "yes".

A motion was made to adjourn.

Mike Parker apologized that the meeting could not be adjourned at this point. He stated that the votes needed to be counted and on record before the meeting could be adjourned.

Mike Parker stated that he thinks the Bankruptcy Court will order another meeting of the Shareholders.

Jack Linton asked Mike Parker if this was Mike Parker's "legal opinion".

Mike Parker stated that there were "enough lawyers around here".

At 9:40 PM, Carolyn Hyman-Brooks came back to the meeting with the tabulation of Shareholder votes.

It was stated that the Judge of the Election provided the talley.

Carolyn Hyman-Brooks read from the tabulation (please see attached for listing in the event of any discrepancies):

Mike Parker.....	249,311 Votes
Irvin Cohen.....	341,341 Votes
Dr. Clymer.....	249,311 Votes
Reverend McCracken.....	249,311 Votes
Judge Rose.....	249,311 Votes

There was a declaration by the Judge of the Elections.

Upon motion by Mr. Wohlbruck and seconded by Dr. Morrow, the meeting was adjourned.